

GOVERNMENT OF TELANGANA
ABSTRACT

Agriculture & Cooperation Department – Rs.1,000 Crores (Rupees One thousand Crores only) from N.C.D.C, New Delhi to Managing Director, TSMARKFED, Hyderabad towards procurement of Paddy under M.S.P. – Transfer of sanctioned loan amount of Rs.1,000 Crores to the account of Managing Director, TSCSCL, under inter corporate loan account – Reducing the service charges from 1% to 0.25% on the inter corporate loan of Rs.1000/- Crore availed by TSCSCL from T.S. MARKFED - Permission accorded – Orders – Issued.

AGRICULTURE AND COOPERATION (MKTG.II) DEPARTMENT

G.O.Rt.No. 651

Dated: 05-09-2018
Read the following:-

1. G.O.Ms.No.13, C.A., Food and Civil Supplies(C.S.I-CRP) Department, Dt.17.05.2018.
2. G.O.Ms.No.50, A&C (Mktg.II) Deptt., Dt. 21.05.2018.
3. G.O.Rt.No.325, A&C (Mktg.II) Deptt., Dt. 22.05.2018.
4. From the Commr. of Civil supplies & Ex.officio Secretary to Govt. Lr.No.P1(1)/789/2017, Dt:25.05.2018.

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In the Letter 4th read above, the Commissioner of Civil supplies & Ex.officio Secretary to Govt. has submitted that, wherein orders were issued permitting Telangana State MARKFED to avail Rs. 1000/- crores loan from NCDC with state Govt. gurantee vide in the 2nd read above. Further, orders vide were issued permitting TS MARKFED to transfer loan amount of Rs. 1000/- crore availed from NCDC, New Delhi to the account of Vice- Chairman & Managing Director, TSCSCL under inter corporate loan. The TS MARKFED was also permitted to charge 1% of the loan amount towards the services provided by them. Thus Corporation has to pay an amount of Rs. 10/- crores as service charges on a loan of Rs.1000/- crores vide in the 3rd read above. He has also further submitted that TSCSCL is undertaking paddy procurement operations as a state Agency within the margins provided by the GOI and there is no scope for earning of any profit in these transactions. In fact, there is deficit in paddy procurement operations under DCP due to insufficient margins provided by GOI. As such, the Corporation is not in a position to absorb Rs. 10/- crore of service charges claimed by TS MARKFED (1% of Rs. 1000/- crores) which is very high. The TS MARKFED has transferred on an amount of Rs. 990/- crores to TSCSCL out of Rs. 1000/- crore of loan sanctioned by NCDC retaining Rs.10/- crores.

2. The Commissioner of Civil Supplies and Ex-Officio Secretary to Govt., has submitted that as the TSCSCL is not a position to absorb the service charges of Rs.10/- crores in paddy procurement operations, and requested the Govt. to issue necessary Govt. orders reducing the service charges from 1% to 0.25% on the inter corporate loan of Rs. 1000/- crore availed by TSCSCL from TS MARKFED.

3. In the circumstances explained by the Commissioner of Civil Supplies & EX. Officio Secretary to Govt., Hyderabad in the letter 3rd read above, after careful examination by the Government hereby permit the Managing Director, TS MARKFED to transfer the loan amount of Rs.1,000 Cores (Rupees One thousand Cores only) which is obtained from the N.C.D.C, New Delhi towards procurement of Paddy under M.S.P operations during Rabi season 2017-18 to the account of Managing Director, TSCSCL, Hyderabad under inter corporate loan account towards payments made to the farmers of Paddy by the TSCSCL duly permitting the Managing Director, TSMARKFED to reducing the service charges from 1% to 0.25% charges for the services provided by the TS MARKFED subject to condition that all the other charges / fees / duties / taxes if any along with interest to be paid on the above loan transaction shall be borne by the Managing Director, TSCSCL only.

(P.T.O)

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4. The Managing Director, TS MARKFED, Hyderabad shall take further necessary action in the matter accordingly.

5. This order issued with the concurrence of Finance Department vide their U.O.No.003072/149/A1/EBS.II/2018, Dt.11.07.2018.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**C.PARTHA SARATHI,
APC & PRINCIPAL SECRETARY TO GOVERNMENT.**

To
The Managing Director, TS MARKFED, Hyderabad.
The Commissioner of Civil Supplies, Telangana, Hyderabad.
The VC & MD, Telangana State Civil Supplies Corporation Limited.

Copy to:

The P.S. to Minister (Mktg.)
The P.S. to Minister (Agri).
The P.S. to APC & Principal Secretary to Government
SF/SCs.

// FORWARDED :: BY ORDER //

SECTION OFFICER